

MINUTES OF THE MUNICIPAL UTILITY BOARD

Minutes of the Municipal Utility Board held on January 13, 2010 at 8:00 a.m.

Board Members Present: Acting Chairman Dan Mayer, Ken Sabers. Also present: Eric Tibbetts, Water Superintendent, Brian Tideman from CETEC Engineering, Sturgis Fire Chief Ron Koan, City Council person Bernadette Usera, Mayor Maury LaRue, City Manager David Boone, and Connie Rubel.

Absent: Bob Mechling

The agenda was approved, Ken Sabers moved, Dan Mayer seconded, which motion carried.

Dan Mayer moved to accept the minutes of the December 9, 2009, meeting Ken Sabers seconded, which motion carried.

Bills in the amount of \$66,065.51 were presented. Dan Mayer moved, Ken Sabers seconded to approve the bills, which motion passed. The bills approved are as follows:

<u>PAID TO:</u>	<u>AMOUNT:</u>
Salaries	\$ 25192.32
FICA	\$ 1864.64
Retirement	\$ 1511.57
Health	\$ 3205.08
Dental	\$ 446.03
Life	\$ 57.66
BH Power & Light	\$ 14590.72
Butte Electric	\$ 183.60
Brosz Engineering	\$ 640.00
Dakota Backup	\$ 77.84
Finance Office –petty cash	\$ 28.00
Knology	\$ 234.92
MDU	\$ 60.24
Morrell, Candy	\$ 527.80
Olson, Dale	\$ 500.00
CBH Cooperative	\$ 627.55
Print Market	\$ 71.08
Verizon Wireless	\$ 478.32
CETEC Engineering	\$ 2318.00
Chris Supply	\$ 263.40
City of Sturgis	\$ 282.88
Credit Collection Bureau	\$ 10.36

DENR	\$ 42.00
Double Star Computing	\$ 1503.78
First Interstate Bank	\$ 212.55
Gases Plus Norco	\$ 1351.61
Hawkins	\$ 949.66
Hills Material	\$ 17.80
Ikon Office Supplies	\$ 465.93
Johnston's Hardware Hank	\$ 7.69
Midcontinent Laboratories	\$ 129.00
Northwest Pipe Fittings	\$ 325.64
Owens Interstate	\$ 19.99
Pamida	\$ 104.60
Rapp Sales	\$ 35.00
Rockingtree Floral	\$ 61.48
Rushmore Office Supply	\$ 210.23
Sams Club	\$ 203.48
Servall	\$ 35.00
The Computer Shop	\$ 656.99
The Morman Law Firm	\$ 1290.52
Lynns Dakota Mart	\$ 62.99
USPS	\$ 2000.00
Zylstra's	\$ 3207.56

TOTAL	<u>\$66,065.51</u>
-------	--------------------

Superintendent Tibbetts informed the Board that the interrogator for meter reading needs to be updated and after 12/31/09, Sensus will no longer repair the current interrogator, so an amount of approximately \$10,000.00 has been budgeted to purchase an update.

Superintendent Tibbetts informed the Board and those present that the responsibility for storm water "MS4" needs to be turned over to the City, since the sewer portion of the responsibility is that of the City Public Works Department. City Manager David Boone, acknowledged that the City will be responsible for it and Superintendant Tibbetts advised the Board and those present that he would assist the City in any way he could. Dan Mayer moved, Ken Sabers seconded to turn the responsibility back over to the City Public Works Department, which motion carried.

City Council person Bernadette Usera inquired about the need for regulation and what all it involved. Superintendent Tibbetts and City Manager Boone pointed out that EPA regulation of storm water issues is very extensive and is something that this City needs to remain current on. The CETEC proposal with regard to the turnover was sent to City Manager Boone on December 14, 2009.

Superintendent Tibbetts explained to the Board that when a project to improve infrastructure comes on board, a surcharge will be added and the water rates will be adjusted to balance the surcharge. The important point is that the rates as recently adjusted will not increase as a consequence of the surcharge. The surcharge can be used only for debt retirement.

The water only write-offs for water bills for 2009 were presented to the Board in the amount of \$2003.83. Ken Sabers moved, Dan Mayer seconded to write-off that amount, which motion carried.

Superintendent Tibbetts explained that Eldon Herring and his wife had written a letter regarding a water leak that they have had in an unimproved area where the City will be putting new mains in, in any event. That amount was \$150.00 and Superintendent Tibbetts informed the Board that we went ahead and approved that amount with no charge to the Herrings.

Sturgis Fire Chief Ron Koan appeared before the Board regarding the insurance service office requirements for flow capacity as it relates to fire control. Chief Koan pointed out that the large amount of four-inch line "for example Anna Street and Murray Addition" cause problems for flow capacity and Koan and the Board discussed priorities to be recognized with Brian Tideman of CETEC pointing out the priority projects. Dan Mayor moved to go into executive session for personnel matters, Ken Sabers seconded, which motion carried. Dan Mayor moved to go out of executive session, Ken Sabers seconded, which motion carried.

There being no further business the meeting was adjourned.

Dan Mayer
Acting President

John T. Hughes
Secretary

MINUTES OF A SPECIAL UTILITIES BOARD MEETING

MUNICIPAL UTILITY BOARD

Minutes of a Special Utility Board held on January 28, 2010 at 8:00am.

Board Members Present: Dan Mayer and Ken Sabers. Also present Eric Tibbetts, Water Superintendent, T.J Tranchell from the Meade County Times, CETEC Engineer Brian Tideman, and Mike Kahler.

Absent: Bob Mechling, Attorney John Hughes.

The Agenda was approved, Dan Mayer moved, Ken Sabers seconded, which motion carried.

Eric Tibbetts explained that Sturgis Coffee Company, owned by Owners Mike and Anna Kahler, are having problems in their water service line. Mike requested that Superintendent Tibbetts help in solving this problem.

After six months of trouble shooting by the Water Department, Tibbetts concluded that placing an Air-vac in the mechanical room of the Hair salon, would function the same as a meter pit with an air release valve in the road on Williams street.

Superintendent Tibbetts said the cost for this solution would be around \$650.00. If an air-vac system is connected to the water main in Williams street, the cost will be approximately \$3500.00 to \$4000.00.

Board Member Dan Mayer asked if this would decrease the air in the service water line. Tibbetts stated he did not know if it would stop air from collecting within the building; however it would stop excess air from coming into the building from the water main.

Board member Ken Sabers moved to approve the cost of the parts and installation, Dan Mayer seconded, which motion carried. Dan Mayer moved to go into executive section for personnel for issues, Ken Sabers seconded the motion. Dan Mayer moved to come out of executive session, Ken Sabers seconded which motion carried.

There being no further business the meeting was adjourned.

Dan Mayer

Acting President

MINUTES OF THE MUNICIPAL UTILITY BOARD

Minutes of the Municipal Utility Board held on February 10th, 2010 at 8:00 a.m.

Board Members Present: Chairman Bob Mechling, Ken Sabers, and Dan Mayer participating by conference call. Also present: Eric Tibbetts, Water Superintendent, Ted Schultz from CETEC Engineering, and City Manager David Boone.

Absent: None

The agenda was approved, Ken Sabers moved, Bob Mechling seconded, which motion carried.

Ken Sabers moved to accept the minutes of the January 13th, 2010 meeting Bob Mechling seconded, which motion carried.

Bills in the amount of \$66,453.68 were presented. Ken Sabers moved Bob Mechling seconded to approve the bills, which motion passed. The bills approved are as follows:

<u>PAID TO:</u>	<u>AMOUNT:</u>
Salaries	\$ 27208.11
FICA	\$ 2025.88
Retirement	\$ 1632.53
Health	\$ 2836.69
Dental	\$ 431.03
Life	\$ 51.46
BH Power & Light	\$ 8470.85
Butte Electric	\$ 183.60
Brosz Engineering	\$ 680.00
Dakota Backup	\$ 69.71
Deutsch, Brad	\$ 227.14
MDU	\$ 131.79
Morrell, Candy	\$ 362.55
CBH Cooperative	\$ 730.12
Print Market	\$ 60.63
Scheckel, Russ	\$ 250.00
Verizon Wireless	\$ 234.27
A & J Supply	\$ 9.22
Campbell Supply	\$ 182.91
CETEC Engineering	\$ 2781.80
Chris Supply	\$ 87.80
City of Sturgis Water	\$ 51.00

Credit Collection Bureau	\$ 41.76
Department of Transportation	\$ 150.00
Echolab Pest Elimination	\$ 79.50
G & H Distributing	\$ 23.15
First Interstate Bank	\$ 224.55
Hawkins	\$ 115.00
HD Water Works	\$ 606.15
Johnston's Hardware Hank	\$ 14.83
Meade Co. Times	\$ 34.73
Meierhenry Sargent LLP	\$ 8630.00
Menards	\$ 23.54
MidContinent Laboratories	\$ 258.00
Northwest Pipe Fittings	\$ 919.42
One Call Systems	\$ 16.50
Owens Interstate	\$ 26.50
Pamida	\$ 26.98
Rushmore Office Supply	\$ 127.80
Sams Club	\$ 603.70
Snap On Tools	\$ 15.70
Sensus	\$ 617.05
SD Federal Property	\$ 120.00
Sturgis Water Department	\$ 173.69
The Computer Shop	\$ 4250.00
USA Bluebook	\$ 659.04
TOTAL	<u>\$66,453.68</u>

Superintendent Tibbetts had submitted the proposed updates of the Municipal Utility Board Regulations to the members of the board and Ken Sabers moved and Bob Mechling seconded to approve the changes which motion carried. The regulations will be sent for publication as an attachment to the minutes.

Superintendent Tibbetts requested that the Board approve a new 2010 Computer Shop contract for 100 hours worth of consultation at \$140 per hour. After discussion, Bob Mechling moved and Ken Sabers seconded to approved, which motion carried.

Superintendent Tibbetts requested approval of refund of a \$50 deposit to Lynsey Hoeft since she changed status from renter to owner of her premises. Ken Sabers moved and Dan Mayer seconded to approve, which motion carried.

Lance Manning requested the board's assistance in regard to a water leak which cost him \$2987 to repair. Mr. Manning informed the board he was disabled, was responsible for supporting 3 boys and was going through a divorce. He proposed paying \$25 per month on the \$2,987 bill until he could afford to pay more. Dan Mayer moved

to approve Ken Sabers seconded to go along with him for the time being, which motion carried.

Terry Mattson of the South Pine Motel asked for a reduction in his water bill since he had a service line break which occasioned 127,000 gallons of water. MR. Mattson repaired the break and ended up with a water bill of \$280.40 for which he asked a reduction Ken Sabers moved for a 20% reduction, or a credit of \$56.08 Dan Mayer seconded and which motion carried. Ted Schultz of CTEC updated the board on up coming projects and informed the board, that of course, we are shut down by weather at this point.

Chairmen Mechling inquired of City Manager David Boone whether DOT had changed its mind regarding the Lazelle Street Project. Mr. Boone replied that he and his staff are trying to change DOT's mind, and Chairman Mechling suggested getting together with the several Chambers of Commerce in the Black Hills and going to the Legislature to promote the project. Dan Mayer indicated agreement. City Manager Boone advised the board will set up a meeting with Senator Larry Rhoden and try to meet with him after the February 27th, 2010 Cracker Barrel Session here in Sturgis.

Ken Sabers moved to go in to Executive Session for personnel matters, Bob Mechling seconded which motion carried. After discussion Dan Mayer moved to come out of executive session Ken Sabers seconded which motion carried. Dan Mayer moved to approve an employment contract with Superintendent Tibbetts for a 3 year period at a salary of \$61,619.40 annually with provision for annual performance reviews and renewals of the contract in the event of favorable reviews, Bob Mechling seconded which motion carried.

There being no further business the meeting was adjourned.

Bob Mechling
President

John T. Hughes
Secretary

MINUTES OF THE MUNICIPAL UTILITY BOARD

Minutes of the Municipal Utility Board held on March 10, 2010, at 8:00 a.m.

Board Members Present: Chairman, Bob Mechling, Ken Sabers, and Dan Mayer participating by conference call, also present: Eric Tibbetts, Water Superintendent, Brian Tideman from CETEC Engineering, and City Manager, David Boone.

Absent: None

The agenda was approved, Ken Sabers moved, Dan Mayer seconded, which motion carried.

The approval of the minutes was deferred, since the secretary did not have a copy in the minutes file. It was later determined that all members had received copies.

Bills in the amount of \$60,304.94 were presented. Dan Mayer moved Ken Sabers seconded to approve the bills, which motion passed. The bills approved are as follows:

SALARIES	\$25,489.04
FICA	\$1880.01
RETIREMENT	\$1529.39
HEALTH	\$2893.44
DENTAL	\$441.12
LIFE	\$51.46
BH POWER & LIGHT	\$6487.55
FIRST INTERSTATE BANK	\$690.24
FIRST WESTERN INSURANCE	\$2553.00
MORRELL, CANDY	\$362.55
PRINT MARKET	\$60.05
PROGRESSIVE BUSINESS	\$5.11
BEST WESTERN RAMKOTA	\$109.99
BLACK HILLS MOBILE EXTINGUISHER	\$35.25
CAMPBELL'S SUPPLY	\$464.79
CASSELLE, INC	\$1081.00
CBH COOPERATIVE	\$833.98
CETEC ENGINEERING	\$7492.40
CREDIT COLLECTIONS BUREAU	\$53.00
HAWKINS, INC	\$2116.80
HD SUPPLY WATERWORKS	\$782.08
HILLS MATERIAL	\$258.57
JOHNSTON'S HARDWARE HANK	\$7.96
MEADE COUNTY TIMES	\$3.67
MIDCONTINENT LABORATORIES	\$153.00
MORMAN LAW FIRM	\$1964.48
ONE CALL SYSTEMS	\$7.91

OWENS INTERSTATE	\$3.15
PAMIDA	\$92.96
POWERPLAN	\$536.00
PETE LIEN & SONS	\$363.00
RUSHMORE OFFICE	\$60.69
SAMS CLUB	\$39.86
SD FEDERAL PROPERTY	\$822.50
STURGIS AUTO PARTS	\$138.07
TIME EQUIPMENT RENAL	\$163.90
TOM'S T'S	\$276.97
TOTAL	\$60,304.94

Brian Tideman from CETEC brought the board current on all pending projects. The loan application to Rural Development for Well #1 repair has been submitted and the agency has 20 days yet to respond.

Initial surveys have been done for all projects which are in slated to be completed.

Superintendent Tibbetts presented a year end report and noted that revenue is down slightly from last year. The water loss for 2009 was 14%, up from 9% in 2008. The staff is presenting checking the systems to determine where the loss is occurring.

Superintendent Tibbetts informed the board that Sturgis has 350 fire hydrants, most of which are meant for four inch lines. Upgrading will need to be done as we go to bring the hydrants up to six inch capability. After reviewing the year end report, Ken Sabers moved to accept, Dan Mayer seconded, which motion carried.

The Board and Mr. Boone discussed the large discrepancy between Sturgis's bed and booze tax and those in Arizona cities.

Ken Sabers moved, Dan Mayer seconded to go into executive session for legal matters. After discussion Ken Sabers moved, Dan Mayer seconded to come out of executive session, which motion carried.

There being no further business the meeting was adjourned.

Bob Mechling
President

John T. Hughes
Secretary

MINUTES OF THE MUNICIPAL UTILITY BOARD

Minutes of the Municipal Utility Board held on April 14, 2010, at 8:00 a.m.

Board Members Present: Chairman, Bob Mechling, Ken Sabers, and Dan Mayer, also present: Eric Tibbetts, Water Superintendent, Ted Schultz from CETEC Engineering, City Manager, David Boone, Mark Chaplin, City Council, Bernadette Usera, City Council, Blaise Emerson, Black Hills Counsel of Local Government and Dan Roe of SEDC.

Absent: None

The agenda was approved, Ken Sabers moved, Bob Mechling seconded, which motion carried.

Ken Sabers moved to accept the minutes from the March 10, 2010, Bob Mechling second, which motion carried.

Bills in the amount of \$67,275.57 were presented. Ken Sabers moved, Bob Mechling seconded to approve the bills, which motion passed. The bills approved are as follows:

SALARIES	\$27,494.79
FICA	\$2,032.46
RETIREMENT	\$1,649.71
HEALTH	\$3,085.74
DENTAL	\$459.39
LIFE	\$54.70
BH POWER & LIGHT	\$4,850.75
BUTTE ELECTRIC	\$367.20
STURGIS WATER DEPARTMENT	\$102.00
DAKOTA BACKUP LLC	\$101.96
DOUBLE STAR COMPUTING	\$138.84
FIRST INTERSTATE BANK	\$333.42
MONTANA DAKOTA UTILITIES	\$126.07
KNOLOGY	\$156.65
MORRELL, CANDY	\$362.55
TOMS T'S	\$426.63
SD DENR	\$1,350.00
VERIZON	\$632.44
AMERICAN INN	\$280.00
A & J SUPPLY	\$69.84
BROSZ ENGINEERING	\$857.50
CAMPBELL'S SUPPLY	\$81.98
CBH COOPERATIVE	\$737.87
CETEC ENGINEERING	\$8,475.00

CREDIT COLLECTIONS BUREAU	\$1.80
DAKOTA MILL & GRAIN	\$5.00
DESERT DIAMOND INDUSTRIES	\$105.00
DIESEL MACHINERY	\$1,187.89
GLEN KING	\$45.14
HACH COMPANY	\$110.00
HAWKINS	\$110.00
HD SUPPLY	\$1,172.01
JOHNSTON'S HARDWARE HANK	\$49.38
LYNN'S DAKOTA MART	\$20.32
MARK FREEMAN	\$20.63
MENARDS	\$7.80
MIDCONTINENT LABORATORIES	\$129.00
MIKE BACHAND	\$18.18
NORTHERN HILLS ELECTRIC	\$79.97
NORTHWEST PIPE FITTINGS	\$794.67
ONE CALL SYSTEMS, INC	\$96.05
O'REILLY AUTO PARTS	\$45.50
OWENS INTERSTATE SALES	\$324.00
PAMIDA	\$66.03
PETE BONEFIELD	\$150.00
RUSHMORE OFFICE SUPPLY	\$742.67
SAM'S CLUB	\$16.98
SCA	\$47.11
SD FEDERAL PROPERTY AGENCY	\$87.25
SERVALL	\$15.30
THE COMPUTER SHOP	\$350.00
TIME EQUIPMENT & SALES	\$5,000.00
TOWN-N-COUNTRY PLUMBING	\$25.56
UNITED STATES POST OFFICE	\$2,000.00
USA BLUEBOOK	\$224.82
	TOTAL: \$67,275.57

Frederick Cha, appeared before the Board to ask for relief from the \$58.00 water bill he accumulated during his absence.

Mr. Cha turned off his own water and did not notify the Water Department. After discussion, Ken Sabers moved, Bob Mechling seconded to deny request which motion carried.

Ted Schultz, from CETEC Engineering, updated the Board on the progress of current projects; a copy is attached to these minutes. Blaise Emerson brought the Board current with regard to financing and grants and the time frames involved.

SEDC had requested the Board to add a water service line to stub out to Lot C2-C, located on Mayer Avenue in the Industrial Park. Ken Sabers moved, Bob Mechling seconded to approve, which motion carried.

Bernadette Usera inquired about hydrants in the Ponderosa area and was informed that those would be installed according to code. Ken Sabers moved to go into executive session for legal purposes, Bob Mechling seconded, which motion carried. Ken Sabers moved to come out of executive session, Dan Mayer seconded, which motion carried.

The Board had discussed the proposed operating agreement with the City of Sturgis and by acclamation, agreed to table it for further review.

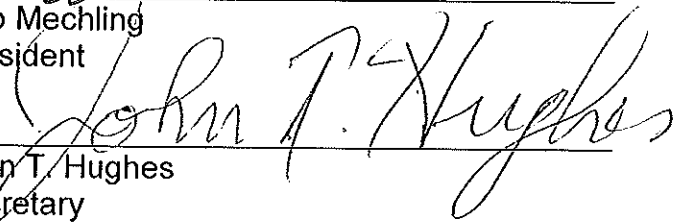
Mayor LaRue came into the meeting and expressed a concern regarding water capacity for future development. The Mayor felt that six wells should be drilled to create a reserve. Superintendent Tibbetts informed the Mayor that it was impractical to cap wells and leave them in that condition.

The Board discussed ongoing cooperation with SEDC as it related to further development in the community.

There being no further business the meeting was adjourned.



Bob Mechling
President



John T. Hughes
Secretary

MINUTES OF THE MUNICIPAL UTILITY BOARD

Minutes of the Municipal Utility Board held on May 12, at 8:00 a.m.

Board Members Present: Chairman, Bob Mechling, Ken Sabers, and Dan Mayer, also present: Bernadette Usera, City Council, Ted Schultz, CETEC, Rick Bush, Community Coordinator, Eric Tibbetts, Water Superintendent, City Manager, David Boone, Lindsay Bressler, CTS Coordinator.

Absent: None

The agenda was approved, Ken Sabers moved, Dan Mayer seconded, which motion carried.

Ken Sabers moved to accept the minutes from the April 14, 2010, Dan Mayer second, which motion carried.

Bills in the amount of \$90,419.86 were presented. Dan Mayer moved, Ken Sabers seconded to approve the bills, which motion passed. The bills approved are as follows:

SALARIES	\$42,210.77
FICA	\$3,157.29
RETIREMENT	\$2,532.68
HEALTH	\$3,261.82
DENTAL	\$476.12
LIFE	\$57.66
BH POWER & LIGHT	\$5,402.71
CNA SURETY	\$116.20
DAKOTA BACKUP LLC	\$85.24
FIRST INTERSTATE BANK	\$246.56
MDU	\$61.47
OCCUPATION HEALTH NET	\$173.20
PRINT MARKET	\$69.84
SEDC	\$25,000.00
A&B BUSINESS	\$531.98
BH APWA	\$20.00
CBH CORP	\$648.11
CAMPBELL SUPPLY	\$124.93
CHRIS SUPPLY CO	\$975.47
DIESEL MACHINERY	\$224.94
DOUBLE STAR COMPUTING	\$482.98
ECOLAB PEST ELIM	\$79.50
FIRST INTERSTATE BANK	\$211.23
G&H DISTRIBUTING	\$216.81
HD SUPPLY WATERWORKS	\$222.89
HAWKINS	\$1,449.01

JOHNSTON'S HARDWARE HANK	\$20.43
KT CONNECTIONS	\$647.50
LYNN'S DAKOTA MART	\$4.09
MORMAN LAW FIRM	\$676.02
NORTHERN HILLS ELECTRIC	\$66.95
PAMIDA	\$55.25
RUSHMORE OFFICE	\$205.64
SAM'S CLUB	\$80.28
SERVALL	\$571.12
STURGIS AUTO PARTS	\$30.19
TOWN N COUNTRY	\$22.98
	<u>TOTAL: \$90,419.86</u>

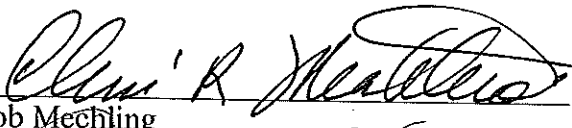
Ted Schultz of CETEC reminded the group that the Bear Butte Valley Water Inc. meeting is this morning at 11:00 a.m.

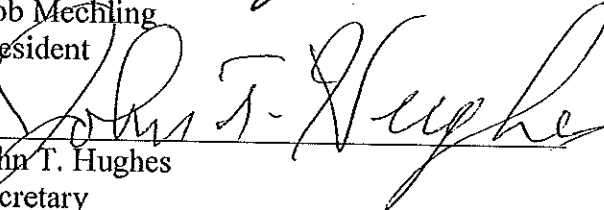
Superintendent Tibbetts presented information to the Board as to CD rates for water funds. The rate of 1.6% for seven months at First Interstate Bank appeared to be the best route, however the Board requested that Superintendent Tibbetts check with the bank as to any early withdrawal penalties. Ken Sabers moved, and Dan Mayer seconded, which motion carried.

The budget was discussed and Community Development Coordinator Rick Bush requested \$26,000.00 for his department. The proposed budget contained \$15,000.00 for his department. After discussion, Dan Mayer moved, Ken Sabers seconded to reinstate the \$26,000.00 for the community development Department.

The Board agreed to carry approval of the budget over to the next regular meeting.

There being no further business the meeting was adjourned.


 Bob Mechling
 President


 John T. Hughes
 Secretary

DALE L. MORMAN
KEITH R. SMIT
JOHN T. HUGHES
MICHAEL W. STRAIN*
CANDI RAWDON THOMSON



PHONE:
(605) 347-3624

FAX (605) 347-2091

*Also licensed in Wyoming

May 24, 2010

Bob Mechling
66 Belair Circle
Sturgis, SD 57785

Dan Mayer
2340 Camero Circle
Sturgis, SD 57785

Eric Tibbetts
Sturgis Water Dept.
1040 2nd Street, Ste. 102
Sturgis, SD 57785

Ken Sabers
1908 Butte View Drive
Sturgis, SD 57785

Re: Municipal Utility Board Meeting Minutes
Our File No: 2009-011.45

Gentlemen:

Enclosed are the proposed minutes for the MUB meeting which was held on May 12, 2010. Please let me know if there are any changes or additions that should be made.

The Board will recall that City Manager, Dave Boone, pitched the idea of the Board using the City Attorney at no cost. I would remind the Board that much of the fees generated in 2009 were the result of Mr. Boone attempt to disqualify Eric Tibbetts as a city employee.

I should be happy to answer any questions you might have. Thank you.

Yours truly,

MORMAN LAW FIRM

By:

John T. Hughes

JTH/lmb
Enclosure

MINUTES OF THE MUNICIPAL UTILITY BOARD

Minutes of the Municipal Utility Board held on June 9, at 8:00 a.m.

Board Members Present: Chairman, Bob Mechling, Ken Sabers, and Dan Mayer, also present: Bernadette Usera, City Council, Ted Schultz, CETEC, Rick Bush, Community Development Coordinator, Eric Tibbetts, Water Superintendent, City Manager, David Boone, Faye Bueno, Finance Officer, and Dan Roe, SEDC.

Absent: None

The agenda was approved, Dan Mayer moved, Ken Sabers seconded, which motion carried.

Dan Mayer moved to accept the minutes from the May 12, 2010, Ken Sabers seconded, which motion carried.

Bills in the amount of \$190,972.10 were presented. Dan Mayer moved, Ken Sabers seconded to approve the bills, which motion passed. The bills approved are as follows:

SALARIES	\$27,504.46
FICA	\$2,033.51
RETIREMENT	\$1,650.29
HEALTH	\$3,020.07
DENTAL	\$453.15
LIFE	\$53.59
BH POWER & LIGHT	\$14,976.65
BUTTE ELECTRIC	\$517.34
CITY OF STURGIS WATER DEPT	\$140.00
CIVIC PLUS	\$12.00
DAKOTA BACKUP LLC	\$80.62
DOUBLE STAR COMPUTING	\$73.00
FIRST INTERSTATE BANK	\$728.65
FIRST NATIONAL BANK	\$6,306.85
FIRST NATIONAL BANK	\$13,750.00
KNOLOGY	\$359.42
LADNER EXCAVATING	\$37,397.77
MONTANA DAKOTA UTILITIES	\$40.18
MORRELL, CANDY	\$362.55
PRINT MARKET	\$130.67
STANDARD AND POORS	\$594.00
VERIZON WIRELESS	\$513.66
XECCEL DEMOLITION	\$2,000.00
XECCEL DEMOLITION	\$55,615.49
A&B BUSINESS, INC.	\$627.56
BLACK HILLS WINDSHIELD	\$105.00

BROSZ ENGINEERING	\$6,412.50
CBH COOP	\$764.35
CAMPBELL SUPPLY	\$44.03
CHRIS SUPPLY CO	\$975.49
EXECUTIVE BUSINESS COMM.	\$80.00
G&H DISTRIBUTING	\$111.68
HD SUPPLY WATERWORKS	\$6,374.40
HAWKINS	\$60.00
JOHNSTON HARDWARE HANK	\$29.91
LYNN'S DAKOTAMART	\$16.19
MEADE COUNTY TIMES	\$239.48
MIDCONTINENT LABORATORIES	\$129.00
NORTHWEST PIPE FITTING	\$397.58
ONE CALL SYSTEMS	\$131.08
O'REILLY AUTO PARTS	\$79.78
PAMIDA	\$55.24
POLLARDWATER.COM	\$3,252.26
P&P ENTERPRISES	\$835.00
RUSHMORE OFFICE	\$299.53
SD FEDERAL PROPERTY	\$60.00
SIGNS NOW	\$389.00
STURGIS AUTO PARTS	\$5.52
STURGIS SUBWAY	\$33.99
USA BLUEBOOK	\$349.61
XCEL DEMO	\$800.00
<u>TOTAL</u>	<u>\$190,972.10</u>

Fay Bueno, City Finance Officer, appeared before the Board and urged the Board to follow the Municipal League Guidelines as to the investment policy.

The budget for the coming year was presented, Ken Sabers moved, Dan Mayer seconded, and it was approved, which motion passed.

Dan Roe of SEDC appeared before the Board with regard to water and sewer lines. SEDC proposed to go across lot 2C with water and sewer lines. Superintendant Tibbetts spoke in opposition to that because of problems that can be encountered when water needs to be shut off and it affects more than one user. After discussion the Board supported Superintendant Tibbetts and gave the go ahead to cut the road as previously approved. Ken Sabers moved, Dan Mayer seconded to approve, which motion carried.

Ted Schultz gave an update on the projects pending. Questions were raised regarding shut downs of the projects for the rally. After discussion it was agreed that Fulton and Davenport would not be torn up and that hospital access would be guaranteed. The progress and information will be published in the Meade County Times and the Board directed that a form letter be sent to the affected people.

There being no further business the meeting was adjourned.

Bob Mechling
President

John T. Hughes
Secretary

Published once at the total approximate cost of _____.

MINUTES OF THE MUNICIPAL UTILITY BOARD

Minutes of the Municipal Utility Board held on July 14, at 7:00 a.m.

Board Members Present: Chairman, Bob Mechling, Ken Sabers, and Dan Mayer by telephone, also present: Bernadette Usera, City Council, Ted Schultz, CETEC, Rick Bush, Community Development Coordinator, Eric Tibbetts, Water Superintendent. City Manager, David Boone, entered the meeting at its conclusion.

Absent: None

The agenda was approved, Ken Sabers moved, Dan Mayer seconded, which motion carried.

Ken Sabers moved to accept the minutes from the June 9, 2010, Dan Mayer seconded, which motion carried.

Bills in the amount of \$198,743.79 were presented. Ken Sabers moved, Dan Mayer seconded to approve the bills, which motion passed. The bills approved are as follows:

SALARIES	\$26,538.01
FICA	\$1,960.25
RETIREMENT	\$1,592.30
HEALTH	\$2,893.44
DENTAL	\$441.12
LIFE	\$51.46
ANDERSON, GARY	\$166.67
BH POWER & LIGHT	\$10,031.24
BUTTE ELECTRIC	\$183.60
DAKOTA BACKUP LLC	\$82.72
FIRST INTERSTATE BANK	\$31.48
KNOLOGY	\$183.05
LADNER EXCAVATING	\$79,224.23
CETEC, INC	\$20,966.97
MONTANA DAKOTA UTILITIES	\$29.35
TIBBETTS, ERIC	\$500.00
MORRELL, CANDY	\$725.10
OCCUPATIONAL HEALTH	\$81.84
VERIZON WIRELESS	\$293.59
XECCEL DEMOLITION	\$43,301.45
AMBER BERTHOLD	\$25.00
A&B BUSINESS	\$383.98
A&J SUPPLY	\$18.23
AMERICAN WATERWORKS ASSC.	\$295.00
ARMSTONG EXTINGUISHING	\$25.00
CAMPBELL SUPPLY	\$248.00

CASELLE INC	\$1,081.00
CBH COOPERATIVE	\$891.42
CREDIT COLLECTIONS BUREAU	\$138.02
DAVE BAUMILLER	\$43.35
ECOLAB PEST ELIMINATION	\$265.00
HAWKINS	\$1,651.19
JOHNSTON'S HARDWARE HANK	\$70.07
MEADE COUNTY TIMES	\$31.87
MIDCONTINENT LABORATORIES	\$258.00
NEIGHBORHOOD HOUSING	\$32.00
NORTHWEST PIPE FITTINGS	\$515.38
ONE CALL SYSTEMS	\$226.00
O'REILLY AUTO PARTS	\$44.64
OWENS INTERSTATE SALES	\$36.12
PAMIDA	\$49.93
P&P ENTERPRISES	\$595.00
PETE LIEN & SONS	\$23.63
ROBERT GREER	\$11.50
ROLAND HOPPE	\$21.00
RUSHMORE OFFICE SUPPLY	\$120.12
SAM'S CLUB	\$9.00
SD DEPT OF ENVIRONMENT	\$2,200.00
SERVALL	\$22.24
STURGIS AUTO PARTS	\$116.28
STURGIS WATER DEPARTMENT	\$17.95
TOTAL	\$198,743.79

Superintendent Tibbetts briefly discussed the budget for the Boards information. He also reminded the Board that the August meeting date had been changed to Wednesday, August 18, 2010, at 8:00 a.m. because of the 2010 rally dates.

Superintendent Tibbetts asked the Board to approve his medical reimbursement deductible in the amount of \$250.00 for the year 2009. Bob Mechling moved, Dan Mayer seconded which motion carried.

Superintendent Tibbetts proposed full month billing for new and disconnecting customers largely, during the rally. Ken Sabers moved to approve, Bob Mechling seconded which motion carried.

Ted Schultz from CETEC gave an update on all water main projects pending.

Superintendent Tibbetts informed the Board that he had talked to Dave Boone and Katherine Martell regarding the road going into the dams and leading to the Davenport property. City Manager Boone informed Superintendent Tibbetts that he would have the Public Works Department grade the road. Superintendent Tibbetts also informed the Board that Dam No. 2 will be drained this fall.

There being no further business the meeting was adjourned.

Bob Mechling
President

John T. Hughes
Secretary

Published once at the total approximate cost of _____.

MINUTES OF THE MUNICIPAL UTILITY BOARD

Minutes of the Municipal Utility Board held on August 18, at 8:00 a.m.

Board Members Present: Chairman, Bob Mechling, Dan Mayer, Ken Sabers, also present: Bernadette Usera, City Council, Ted Schultz, CETEC, Rick Bush, Community Development Coordinator, Eric Tibbetts, Water Superintendent. City Manager, David Boone and Mayor, Maury LaRue.

Absent: None

The agenda was approved, Dan Mayer moved, Ken Sabers seconded, which motion carried.

Dan Mayer moved to accept the minutes from the July 14, 2010, Ken Sabers seconded, which motion carried.

Bills in the amount of \$207,520.57 were presented. Dan Mayer moved, Ken Sabers seconded to approve the bills, which motion passed. The bills approved are as follows:

SALARIES	\$26,400.33
FICA	\$1,949.70
RETIREMENT	\$1,584.04
HEALTH	\$2,893.44
DENTAL	\$441.12
LIFE	\$51.46
CITY OF STURGIS	\$81.00
BH POWER & LIGHT	\$10,986.77
JOHNSON, BEVERLY JEAN	\$500.00
DAKOTA BACKUP LLC	\$85.50
FIRST INTERSTATE BANK	\$42.08
KNOLOGY	\$178.97
LADNER EXCAVATING	\$75,024.90
CETEC, INC	\$17,887.00
MONTANA DAKOTA UTILITIES	\$14.37
TIBBETTS, ERIC	\$250.00
MORRELL, CANDY	\$362.55
PRINT MARKET	\$63.27
VERIZON WIRELESS	\$284.63
XECCEL DEMOLITION	\$39,946.45
AMERICAN SOLUTIONS BUSINESS	\$1,081.02
A&B BUSINESS	\$358.17
BROSZ ENGINEERING	\$13,322.50
SAM FISH	\$33.55
G & H DISTRIBUTING	\$29.02
CAMPBELL SUPPLY	\$31.67

HD SUPPLY WATERWORKS	\$5,104.61
CBH COOPERATIVE	\$807.86
CREDIT COLLECTIONS BUREAU	\$90.87
HILLS MATERIALS	\$355.03
MATTHEWS, FLORENCE	\$23.00
HAWKINS	\$311.00
JOHNSTON'S HARDWARE HANK	\$120.43
MEADE COUNTY TIMES	\$38.21
MORMAN LAW FIRM	\$419.90
PRAIRIE INDUSTRIES	\$510.00
NORTHWEST PIPE FITTINGS	\$349.77
RUSHMORE OFFICE SUPPLY	\$134.97
SENSUS	\$1,320.00
OWENS INTERSTATE SALES	\$39.98
PAMIDA	\$92.28
P&P ENTERPRISES	\$910.00
SOUTH DAKOTA ONE CALL	\$103.96
STURGIS POST OFFICE	\$2,185.00
TOWN-N-COUNTRY PLUMBING	\$86.44
RUSHMORE OFFICE SUPPLY	\$134.97
STURGIS WATER DEPARTMENT	\$131.25
<u>TOTAL</u>	<u>\$207,520.57</u>

Superintendent Tibbetts briefly discussed the budget as a point of information; he is still waiting on Rural Development loan application to finalize the budget.

Superintendent Tibbetts brought up the fact that water shed money had been set aside in the amount of \$281,000.00 by former Superintendent, Eldon Christians. Given the fact that cash flow needs are present, Dan Mayer moved, Bob Mechling seconded to request the council to transfer the present amount of \$282,187.99 to the Water Operations account for the current year.

On August 8, 2010, the well #3 pump failed and Western Engineering repaired the well on August 11, 2010. The cost for the new pump was \$7,313.00. The motor was \$10,688.00 plus the cost of labor, yet to be determined. Superintendent Tibbetts requested the Board approve these amounts. Dan Mayer moved to approve and Ken Sabers seconded, which motion carried.

Superintendent Tibbetts informed the Board that well #7 needs a new spare pump and motor. Dan Mayer moved to approve, Ken Sabers seconded, which motion carried.

Superintendent Tibbetts and Ted Schultz of Cetec presented the Board with drawing and pictures regarding the need for drainage at well #3, when the well is flushed. The flushing, which resulted when pump #3 failed, caused considerable water to stand around the lot, which

pointed up the need for drainage involving the draw on the south side of the well lot. The Water Board and Community Development Director will get together to properly plat the well lot to allow for normal drainage issues. It is estimated that a half acre on the south side of well lot #3 will be needed.

Superintendent Tibbetts informed the Board and those present, that Bev and Julie will be putting together some turn on and shut off data to give the Board and council members a greater understanding of the annual loss of revenue. Discussion followed regarding availability fees and splitting fees resulting from turn on and shut off as to water and sewer between the city and Municipal Utility Board.

There being no further business the meeting was adjourned.

Bob Mechling
President

John T. Hughes
Secretary

Published once at the total approximate cost of_____.

**MINUTES OF THE
MUNICIPAL UTILITY BOARD**

Minutes of the Municipal Utility Board held on September 8, 2010 at 8:00 a.m.

Board Members Present: Chairman, Bob Mechling, Dan Mayer, Ken Sabers, also present: Bernadette Usera, City Council, Mark Cartenson, City Council, Ted Schultz, CETEC, Rick Bush, Community Development Coordinator, Eric Tibbetts, Water Superintendent; City Manager, David Boone.

Absent: None

The agenda was approved, Dan Mayer moved, Ken Sabers seconded, which motion carried.

Dan Mayer moved to accept the minutes from the August 18, 2010, Ken Sabers seconded, which motion carried.

Bills in the amount of \$144,802.09 were presented. Dan Mayer moved, Ken Sabers seconded to approve the bills, which motion passed. The bills approved are as follows:

SALARIES	\$26,673.97
FICA	\$1971.83
RETIREMENT	\$1600.47
HEALTH	\$2848.91
DENTAL	\$433.19
LIFE	\$50.62
BH POWER & LIGHT	\$69.28
BUTTE ELECTRIC	\$183.60
CETEC, INC	\$6693.50
FIRST INTERSTATE BANK CARD	\$10.60
MONTANA DAKOTA UTILITIES	\$12.02
PRINT MARKET	\$63.28
CITY OF STURGIS WATER DPT	\$77.00
EXCEL DEMOLITION	\$95,439.71
A&B BUSINESS, INC	\$403.67
CAMPBELL SUPPLY	\$69.45
CBH COOPERATIVE	\$796.03
ECOLAB	\$44.00
HAWKINS	\$3263.26
HERSRUDS OF STURGIS	\$1561.50
METROTECH	\$411.98
MIDCONTINENT LAB.	\$207.00
MORMAN LAW FIRM	\$1115.00
NORTHWEST PIPE FITTINGS	\$40.32
P&P ENTERPRISES	\$415.00
PAMIDA	\$48.23

RUSHMORE OFFICE SUPPLY	\$251.81
SAM'S CLUB	\$18.98
SERVALL	\$27.88
<u>TOTAL</u>	<u>\$144,802.09</u>

The budget as modified was presented. Dan Mayer moved, Ken Sabers second to approved, which motion carried. The budget copies are available at the Water Department Office.

The watershed account which had been set aside in the amount \$284,000.00 was discussed. It was agreed between City Manager Boone on behalf of the City Council and Municipal Utilities Board that the Watershed Timber fund be left in tact and used only for maintenance of the dam property. It was agreed that the City Council and Municipal Utilities Board will work together on this issue. City Manager Boone requested that the Board make arrangements so repair and drainage of Dam #2.

After discussion Dan Mayer moved to remove \$284,000.00 from the Municipal Utilities Board budget and for Superintendent Tibbetts and Ted Schultz of CETEC to arrange for an inspection of Dam #2. Ken Sabers seconded, which motion carried.

Water Superintendant Tibbetts recommended to the Board that the Board hire the City's CPA firm, Ketel-Thorstonson for accounting service at the rate of \$115.00 per hour. Ken Sabers moved, Dan Mayer seconded, which motion carried.

The progress of the rural development loan was discussed and concerns were raised that ongoing projects need to be started and the loan needed to be processed. City Manager Boone advised that Mayor LaRue will contact the Congressional Delegation regarding the loan.

There being no further business the meeting was adjourned.

Bob Mechling
President

John T. Hughes
Secretary

Published once at the total approximate cost of_____.

MINUTES OF THE MUNICIPAL UTILITY BOARD

Minutes of the Municipal Utility Board held on October 13, 2010 at 8:00 a.m.

Board Members Present: Chairman, Bob Mechling, Dan Mayer, Ken Sabers; also present: Eric Tibbetts, Water Superintendent, Ted Schultz, CETEC, Rick Bush, Community Development Coordinator, David Boone, City Manager, Bernadette Usera, City Council, Dixie Olson, Jim Allison, Realtors.

Absent: None

The agenda was approved, Dan Mayer moved, Ken Sabers seconded, which motion carried.

Dan Mayer moved to accept the minutes from the September 8, 2010, Ken Sabers seconded, which motion carried.

Bills in the amount of \$250,433.93 were presented. Dan Mayer moved, Ken Sabers seconded to approve the bills, which motion carried. The bills approved are as follows:

SALARIES	\$27,272.58
FICA	\$2015.42
RETIREMENT	\$1636.39
GROUP HEALTH INSURANCE	\$2904.64
DENTAL INSURANCE	\$441.12
JEFFERSON PILOT LIFE INSURANCE	\$51.45
BH POWER & LIGHT	\$32,005.79
BUTTE ELECTRIC	\$352.92
CETEC, INC-CAPITAL IMPROVEMENT	\$5669.10
MONTANA DAKOTA UTILITIES	\$11.86
PRINT MARKET-PUBLISHING	\$63.51
KNOLOGY	\$421.16
CITY OF STURGIS-WATER DEPT	\$173.52
XECCEL DEMOLITION-CAPITAL IMPROV	\$47,923.66
A& B BUSINESS, INC. – SUPPLIES	\$344.40
BROSZ ENGINEERING-CAPITAL IMPROV	\$31,507.50
CAMPBELL SUPPLY	\$111.75
CASELLE, INC.	\$1081.00
CBH COOPERATIVE-SUPPLIES	\$845.84
COLLINS CLEANING SERVICE	\$44.45
CREDIT COLLECTIONS BUREAU	\$55.00
DAKOTA BACKUP	\$171.98
HACH COMPANY-SUPPLIES	\$135.51
HAWKINS	\$539.00
HD SUPPLY WATERWORKS	\$1258.93
HILLS MATERIAL	\$322.68

IKON OFFICE SOLUTIONS	\$2.48
JOHNSON, ROXANNE-REFUND OVRPMT	\$23.19
JOHNSTONS HARDWARE	\$12.15
LADNER EXCAVATING	\$65,418.75
MEADE COUNTY TIME-PUBLISHING	\$79.18
MIDCONTINENT LABORATORIES	\$129.00
MORMAN LAW FIRM	\$1180.00
MORRELL, CANDY-REPAIR/MAINT.	\$725.10
MY SISTER'S CLOSET-REFUND OVRPMT	\$35.67
NORTHWEST PIPE FITTINGS	\$511.59
O'REILLY AUTO PARTS	\$8.58
PAMIDA-SUPPLIES	\$45.73
PETE LIEN & SONS	\$287.08
RUSHMORE OFFICE SUPPLY	\$152.60
SAM'S CLUB	\$96.79
SD FEDERAL PROPERTY	\$38.25
SEME, JOE & BONNIE-REFUND OVRPMT	\$33.65
SERVALL	\$11.12
SIGNS NOW	\$109.40
SOUTH DAKOTA ONE CALL	\$57.63
STURGIS AUTO PARTS	\$3.78
TOM'S T'S	\$122.55
VERIZON WIRELESS	\$566.91
WESTON ENGINEERING	\$23,370.14
WILLIAMSON, JACOB-REFUND OVRPMT	\$51.45
<u>TOTAL</u>	<u>\$250,433.93</u>

Dan Mayer moved, Ken Sabers seconded to approve the bills, which motion carried.

Leo Hagemann requested a water adjustment due to a leaking toilet. After discussion Dan Mayer moved to give a credit of 20% of the 40,000 gallons (\$86.00) of \$17.20. Ken Sabers seconded, which motion carried.

Bernard Hunt requested a water adjustment due to a running outside facet in the amount of \$55.90. After discussion, Ken Sabers moved for a credit of 20% or \$11.18. Dan Mayer seconded, which motion carried.

A surcharge for the Murray Addition project was discussed as well as the proposed Findings of the Board regarding the placement of surcharge over the entire system. Superintendent Tibbetts and Ted Schultz of CETEC explained that the surcharge amount would not be known until the second phase of the project is finished. After discussion Dan Mayer moved and Ken Sabers seconded to approve the surcharge at the time the Murry project is completed. Also part of the Motion was to approve the proposed Findings to be submitted to the South Dakota Board of Water and Natural Resources, which Findings are attached hereto, made a part of these minutes and incorporated herein.

The Board then discussed with City Manager Boone and Community Development Coordinator Bush the platting of well lot which is needed for Well #3. Superintendent Tibbetts had asked for $\frac{3}{4}$ of an acre which was opposed by City Manager Boone and Community Development Director Bush. After considerable discussion regarding a Memorandum of Understanding between MUB Board and the City of Sturgis, Ken Sabers moved and Dan Mayer seconded for the Board Attorney to draft a Memorandum of Understanding to the effect that the Board, when ready to drill a new well, can have whatever area is needed for the flushing of the well and maintenance of the same. The motion carried.

Mayor LaRue entered the meeting.

The Board then discussed the HDR Engineering preliminary report regarding Dam #2, and after considerable discussion and explanation by Ted Schultz of CETEC Engineering, Dan Mayer moved and Ken Sabers seconded to forward the report to the City Council with no recommendation, which motion carried.

Jim Allison appeared to complain about the MUB regulation which requires the landowner to be responsible for the service line from the structure to the City main. Allison felt that the Board should follow the lead of Whitewood and require responsibility only from the structure to the curb stop. Superintendent Tibbetts explained that Rapid City and Spearfish require landowner responsibility to the main. The Board noted that it would review the regulation.

The Board discussed going into Executive Session for legal matters and Ken Sabers moved and Dan Mayers seconded for Executive Session, which motion carried. Mayor LaRue elected to stay for the Board's Executive Session. After discussion about legal matters and contractual matters, Dan Mayer moved and Ken Sabers seconded to come out of Executive Session, which motion carried.

There being no further business the meeting was adjourned.

Bob Mechling
President

John T. Hughes
Secretary

Published once at the total approximate cost of _____.

MINUTES OF THE MUNICIPAL UTILITY BOARD

Minutes of the Municipal Utility Board held on November 10, 2010 at 8:00 a.m.

Board Members Present: Chairman, Bob Mechling, Dan Mayer, Ken Sabers entered the meeting at 8:45 a.m.; also present: Eric Tibbetts, Water Superintendent, David Boone, City Manager, Rick Bush, Community Development Coordinator, Dixie Olson, Jim Allison, Realtors, Jim Thompson and Blaise Emerson of Black Hills Council of Local Governments.

Absent: None

The agenda was approved, Dan Mayer moved, Bob Mechling seconded, which motion carried.

Dan Mayer moved to accept the minutes from the October 13, 2010, Bob Mechling seconded, which motion carried.

Bills in the amount of \$215,254.67 were presented. Dan Mayer moved, Bob Mechling seconded to approve the bills, which motion carried. The bills approved are as follows:

SALARIES	\$39,728.52
FICA	\$2,969.30
RETIREMENT	\$2,383.72
GROUP HEALTH INSURANCE	\$2,904.64
DENTAL INSURANCE	\$441.12
JEFFERSON PILOT LIFE INSURANCE	\$51.46
BH POWER & LIGHT	\$8,711.38
CETEC, INC-CAPITAL IMPROVEMENT	\$6,066.80
KNOLOGY	\$119.27
CITY OF STURGIS-WATER DEPT	\$187.03
A& B BUSINESS, INC. - SUPPLIES	\$260.43
J & J SUPPLY	\$12.62
GARY ANDERSON - OTHER	\$55.20
CAMPBELL SUPPLY	\$77.58
APWA - PROFESSIONAL FEES	\$232.00
BLACK HILLS-MOBILE EXTINGUISHER	180.00
BROSZ ENGINEERING	\$140.00
CBH COOPERATIVE-SUPPLIES	\$600.86
CHRIS SUPPLY COMPANY	\$1,005.00
CREDIT COLLECTIONS BUREAU	\$101.67
DAKOTA BACKUP	\$87.56
DIESEL MACHINERY-REPAIR/MAINT.	\$650.99
GEORGE JENTER-REFUND/OVERPYMT	\$23.22
HAWKINS	\$2,367.71
HILLS MATERIAL	\$1,005.24
JOHNSTONS HARDWARE	\$4.38

KRISTI SCHULTZ-REFUND/OVERPYMT	\$72.77
LADNER EXCAVATING	\$7,764.82
MIDCONTINENT LABORATORIES	\$129.00
MORMAN LAW FIRM	\$700.36
MORRELL, CANDY-REPAIR/MAINT.	\$362.55
NORTHWEST PIPE FITTINGS	\$37.47
OWENS INTERSTATE-SUPPLIES	\$5.98
PAMIDA-SUPPLIES	\$77.70
RUSHMORE OFFICE SUPPLY	\$95.97
SAM'S CLUB	\$30.02
SD ASSOC. RURAL WATER-PROF FEES	\$935.00
SD FEDERAL PROPERTY	\$116.75
SERVALL	\$11.12
SOUTH DAKOTA ONE CALL	\$93.24
STURGIS POST OFFICE	\$2,000.00
VERIZON WIRELESS	\$272.60
TOTAL	\$215,254.67

Superintendent Tibbetts informed the Board of the 2010 write-offs in the amount of \$2,743.10. After discussion, Dan Mayer moved, Bob Mechling seconded to approve the write-offs.

The surcharge amount for all water accounts due to the ongoing projects was discussed and Blaise Emerson of Black Hills Council of Local Governments explained to the Board that once all the figures are in on the Murray Project, the figure for the surcharge can be finalized.

The Well No. 3 lot agreement was discussed and City Manager David Boone and Community Development Director Rick Bush requested that language be changed from a "Plat" of the Lot to a "Map," since a Plat has not been filed or recorded.

Engineering update was presented by Superintendent Tibbetts and priorities were discussed, and in particular the areas around the Sturgis Community Hospital. Superintendent Tibbetts also pointed out that one of the primary considerations is Well No. 3 and the Booster Station in the Pine View area.

Dan Mayer moved for the Board to pass a resolution urging the South Dakota Department of Transportation to do a re-do of Lazelle Street rather than an overlay mat. Bob Mechling seconded, which motion carried.

Jim Thompson appeared to protest the responsibility of the homeowner to the water main and protested the costs of shut-off. Thompson felt the responsibility to the main and the amount of the shut off costs are excessive. The Board informed Mr. Thompson that they will work with him on the costs occasioned by the water leak.

Jim Allison appeared again to protest the responsibility of the homeowner to the water main. He suggested adding a surcharge to each water bill to build up a reserve to take care of

those costs when there is a major water leak. Dixie Olson joined in that request. After discussion Dixie Olson offered to assist Superintendent Tibbetts in drafting a proposal for the Board regarding responsibility for leaks. Dan Mayer moved, Ken Saber seconded to authorize Eric to meet with Ms. Olson to set up a proposal.

City Manager David Boone requested that the operating agreement between the MUB and the City Council be completed. He was informed by Superintendent Tibbetts that the Board is waiting for City Attorney Greg Banier to come back with amended requests.

Community Development Director Rick Bush informed the Board that a close-out meeting on the Murray Addition project is coming up soon. He also mentioned that he is working with Katherine Martell regarding her 12 ½ acre proposal including a winery and restaurant.

There being no further business the meeting was adjourned.

Bob Mechling
President

John T. Hughes
Secretary

Published once at the total approximate cost of _____.

MINUTES OF THE MUNICIPAL UTILITY BOARD

Minutes of the Municipal Utility Board held on December 8, 2010 at 8:00 a.m.

Board Members Present: Chairman, Bob Mechling, Dan Mayer, Ken Sabers.
Also present: David Boone, City Manager, Rick Bush, Community Development Coordinator, Dixie Olson, Jim Allison, Realtors, Blaise Emerson of Black Hills Council of Local Governments, Ted Schultz of CETC, Bernie Usera, member of Sturgis City Council.

Absent: Eric Tibbetts, Water Superintendent

The agenda was approved. Dan Mayer made a motion and it was seconded by Ken Sabers. Motion carried.

Dan Mayer made a motion to accept the minutes from the November 10, 2010 meeting, The motion was seconded by Ken Sabers.

Bills in the amount of \$84,828.24 were presented. Dan Mayer made a motion and Ken Sabers seconded to approve the bills, which motion carried. The bills approved are as follows:

SALARIES	\$	25,754.88
FICA	\$	1,900.34
RETIREMENT	\$	1,545.30
HEALTH	\$	2,904.63
DENTAL	\$	441.11
LIFE	\$	51.46
BH POWER & LIGHT	\$	7,520.62
BUTTE ELECTRIC	\$	367.20
KNOLOGY	\$	178.80
CITY OF STURGIS WATER DPT	\$	78.00
A & B BUSINESS, INC.	\$	291.87
AMANDA HEIBULT	\$	26.16
CAMPBELL SUPPLY	\$	8.56
CBH COOPERATIVE	\$	606.70
CETEC ENGINEERING	\$	1,781.45
CREDIT COLLECTIONS BUREAU	\$	43.48
DAKOTA BACKUP	\$	98.36
DENR	\$	42.00
FIRST NATIONAL BANK	\$	19,819.66
G & H DISTRIBUTING	\$	80.03
HAWKINS	\$	327.50
HD SUPPLY	\$	165.79
HILLS MATERIAL	\$	131.67
JOHNSTONS HARDWARE	\$	10.48
KETEL THORTENSON	\$	470.00
LADNER EXCAVATING	\$	17,419.97

MEADE CO. TIMES	\$	87.56
MIDCONTINENT LABORATORIE	\$	129.00
MONTANA DAKOTA UTILITIES	\$	22.49
MORMAN LAW FIRM	\$	393.80
MORRELL, CANDY	\$	362.55
NOLIN MONUMENT	\$	638.98
PAMIDA	\$	38.45
PBR INVESTMENTS	\$	66.13
PETE LIEN & SONS	\$	68.00
PETERSON AUTOMOTIVE	\$	83.95
PRINT MARKET	\$	126.32
RUSHMORE OFFICE SUPPLY	\$	460.76
RUTH LINDSTROM	\$	20.10
SERVALL	\$	11.15
SOUTH DAKOTA ONE CALL	\$	85.47
TREAVOR AND ANGELA TOMP	\$	13.96
VERIZON WIRELESS	\$	153.55

\$ 84,828.24

The Board discussed the water adjustment for Emporium Designs (PBR Investments). Ken Sabers made a motion to approve a water adjustment of 20% or \$36.60. Dan Mayer seconded. Approved.

The Board discussed the water adjustment of Mary Bryant. Dan Mayer made a motion and Ken Sabers seconded to approve the water adjustment at 50% or \$27.50. Approved

Information was discussed on the availability fee totals from 2008 as requested.

Annual report will be provided in January, 2011.

Blaise Emerson discussed with the board the State Revolving Fund Application which is due 1-1-11. David Boone questioned why the SRF application. Dan Mayer made a motion to recommend to City Council to proceed with signing the application for SRF. Ken Sabers seconded the motion. Approved.

A motion was made by Dan Mayer and seconded by Ken Sabers that clarification of the rates and the water surcharge needed to be included in the letter going out to the all residents of Sturgis.

Jim Allison was present at the meeting to discuss the policy (Section 2:12 in MUB Regulations) of home owners being responsible for repairing their service line from the main to the structure. It was tabled until next meeting.

Ken Sabers made a motion to adjourn the meeting. Dan Mayer seconded the motion. Approved.

A handwritten signature in cursive script, appearing to read "Bob Mechling", is written over a horizontal line. A long, thin, curved line extends from the right side of the signature across the page.

Bob Mechling
President